

AR20

**STANDARD
BROADCASTING
CORPORATION
LIMITED**



**STANDARD BROADCASTING
CORPORATION LIMITED**



CFRB LIMITED—Toronto
CFRB—AM
CKFM—FM
CFRX—SHORTWAVE

CJAD LIMITED—Montreal
CJAD—AM
CJFM—FM

STANDARD BROADCAST SALES
COMPANY LIMITED
Toronto—Montreal

CANADIAN STANDARD
BROADCAST SALES INC.
New York

STANDARD BROADCAST
PRODUCTIONS LIMITED
Toronto

STANDARD SOUND SYSTEMS
COMPANY LIMITED
Montreal

RADIO BROADCASTING
CONSULTANTS LIMITED
London, England

STANDARD BROADCAST SALES
(U.K.) LIMITED
London, England

**INTERIM
REPORT**

For the Six Months Ended
September 30, 1971

STANDARD BROADCASTING CORPORATION LIMITED

INTERIM REPORT

(unaudited)

CONSOLIDATED STATEMENT OF EARNINGS

For the Six Months Ended
September 30

	1971	1970*
Gross Revenue.....	\$6,662,344	\$6,878,354
Operating Costs and Expenses.....	3,466,135	3,878,942
Depreciation and Amortization.....	143,958	167,498
Operating Profit.....	3,052,251	2,831,914
Income from Investments.....	160,524	218,007
Earnings before Taxes.....	3,212,775	3,049,921
Provision for Income Taxes**.....	1,675,000	1,597,800
NET EARNINGS FOR THE PERIOD.....	\$1,537,775	\$1,452,121
Number of shares outstanding.....	5,615,300	5,601,100
Net earnings per share.....	27.39¢	25.93¢

CONSOLIDATED STATEMENT OF SOURCE AND USE OF WORKING CAPITAL

For the Six Months Ended
September 30

	1971	1970*
<i>Source of Working Capital</i>		
Net Earnings for the period.....	\$1,537,775	\$1,452,121
Add: Charges not requiring cash outlay		
Deferred compensation.....	81,900	81,900
Depreciation and amortization.....	143,958	167,498
Deferred income taxes.....	(16,500)	(43,800)
Proceeds from issue of shares under option.....	40,107	17,925
	1,787,240	1,675,644
<i>Use of Working Capital</i>		
Additions to fixed assets.....	258,378	301,548
Dividends.....	786,142	671,952
	1,044,520	973,500
Increase in Working Capital.....	742,720	702,144
Working Capital — April 1.....	8,760,334	7,841,960
Working Capital — September 30.....	\$9,503,054	\$8,544,104

*1970 adjusted to basis comparable with 1971. The 1970 figures include Standard Sound Systems Toronto contracting business now closed down.

**At rates in effect prior to reductions announced October 14th, 1971.

Standard Broadcasting Corporation Limited is a constrained-share company at least 80% of the shares of which must be beneficially owned by persons who are Canadian citizens or who are corporations controlled in Canada.

To the shareholders

Consolidated net earnings, after taxes, of Standard Broadcasting Corporation Limited and its subsidiaries for the six months ended September 30, 1971, amounted to \$1,537,775 an increase of 5.9% over the profit for the corresponding period of 1970. The 1971 results do not reflect the recently announced cut in corporate income taxes retroactive to July 1, 1971.

Consolidated gross revenue was \$6,662,344. However, shareholders should note that the 1970 figures for gross revenues (\$6,878,354) and operating costs (\$3,878,942) included those of Standard Sound Systems Toronto contracting business which was closed down at the end of 1970.

The majority of the consolidated working capital of \$9,503,054 remains largely invested in short term securities and deposits with banks and trust companies.

CKFM's new FM transmitter in Toronto, located on top of the new Commerce Court building, is now expected to be in operation early in December.

The general outlook of your Company for the balance of the current financial year remains favourable.

JOHN A. McDOUGALD
CHAIRMAN OF THE BOARD

W. C. THORNTON CRAN
PRESIDENT

Toronto, Ontario, October 22, 1971.